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## HB 5649 An Act Concerning State Employee Donation of Vacation or Personal Leave

This bill allows any state employee – regardless of bargaining unit, job class, or employing agency – to donate accrued vacation and/or personal leave to any other state employee if the donee demonstrates a need for sick leave and has insufficient accrued time of his/her own.

This Matter is a Subject of Collective Bargaining. Presently, donation of vacation and personal leave is allowed for most state employees, although it is generally limited to members of the same bargaining unit. Additionally, many unions have negotiated and arbitrated sick leave bank programs, which are administered by labor-management committees. This bill would complicate existing programs.

This Bill Would Promote "Gaming the System." Under this proposal, an employee making \$26.34 per hour (\$55,000 annualized salary) may donate days to an employee making \$16.76 per hour (\$35,000 annualized salary). Since the donor's time is worth more than the donee's time, arrangements may be made whereby the donee pays the donor for the donation, and both employees benefit financially. This situation is most likely to occur when the donor is close to retirement and has accruals that exceed the number of days s/he would be paid for by the state. Those hours would otherwise be worthless to the donor employee.

The State Has No Way to Track Statewide Donations. The state has no mechanized way in which to track additions and deletions from various employees' leave balances. This is especially problematic when the donations occur between different state agencies.

Re-crediting Unused Time is Unworkable. The bill's language also requires that any unused donated leave shall be recredited to the donating employee. This provision is unworkable; again, the state has no way to track the donated time. Also, what if more than one employee donates time (say, 10 hours from each of 2 donors), and the donee employee only uses a total of 10 hours. How should the recrediting work? Should each donor receive 5 hours back? Should the employee who donated first get no time back and the other donor get all 10 hours back? This issue would obviously be much more complicated when numerous employees donate different numbers of hours to an employee. Any bill regarding the donation of time should not include language allowing unused time to be recredited to donor employees.

Please contact DAS's legislative liaison, Andrea Keilty (713-5267), should you have any questions about this testimony.